GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1293
ANSWERED ON:02.05.2016
Performance of Manufacturing Sector
Kushwaha Shri Ram Kumar Sharma;Saraswati Shri Sumedhanand;Singh Shri Hukum;Yadav Shri Om Prakash

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the total production in manufacturing sector from April, 2014 to December, 2015 month-wise including its value in terms of rupees and the percentage of the said production consumed in the country;

(b) the details of sectors/cities identified to be developed as investment centres to promote industrial activities and make India a manufacturing hub along with the facilities extended to foreign and domestic investors in this regard and the expected employment generation therefrom;

(c) whether the growth prospects for the manufacturing sector have dimmed and the India Manufacturing Barometer has shown a smaller number of companies being optimistic about higher margins; and

(d) if so, the details thereof along with the steps taken or proposed to be taken by the Government to boost the manufacturing sector and make India a global manufacturing hub?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE)
OF THE MINISTRY OF COMMERCE & INDUSTRY
(SHRIMATI NIRMALA SITHARAMAN)

(a): The latest annual figure for production of registered manufacturing sector is available for the year 2013-14 and month wise figures are not maintained. According to Annual Survey of Industries, the Gross Value of Output (GVO) was Rs. 65.55 Lakh Crores in 2013-14. The monthly growth rates of Index of Industrial Production (IIP) for Manufacturing sector, with

base year 2004-05 from April 2014 to December 2015 are given below:
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Index of Industrial Production
(Base Year 2004-05=100)
Manufacturing Sector
Month Growth Rate (over the corresponding month of previous year)
Apr"14 3.0
May"14 5.9
Jun"14 2.9
Jul"14 -0.3
Aug"14 -1.1
Sep"14 2.7
Oct"14 -5.6
Nov"14 4.7
Dec"14 4.1
Jan"15 3.4
Feb"15 5.1
Mar"15 2.7
Apr"15 3.9
May"15 2.1
Jun"15 5.2
Jul"15 4.8
Aug"15 6.6
Sep"15 2.7
Oct"15 10.6
Nov"15 -4.6
Dec"15* -2.2

* The data for Dec"15 is provisional
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(b) & (d): The Government is continuously taking a number of measures to boost manufacturing sector in India. These, inter-alia, include Startup India initiative as well as ' Make in India' programme under which 22 thrust sectors to provide a major push to manufacturing in India have been identified. The steps taken to create ease of doing business include setting up of an investor facilitation cell, launch of e-biz portal and liberalising policy for industrial license for defence industries. The Foreign Direct Investment (FDI) policy and procedures have been simplified and liberalised progressively. For creation of state-of-art infrastructure, Government is implementing Delhi Mumbai Industrial Corridor (DMIC) project. In addition, a number of other industrial corridor projects have been conceptualised.

National Investment and Manufacturing Zones (NIMZs) are impartment instrumentalities of the National Manufacturing Policy (NMP). Government has approved Eight Investment Regions along the Delhi Mumbai Industrial Corridor (DMIC) project as NIMZs. Both Domestic as well as foreign investors can participate in various tender packages being issued by DMICDC and can also set up a manufacturing base in these cities. The details are as under:

Industrial Corridor Nodes : DMIC

i. Ahmedabad-Dholera Investment Region, Gujarat (Expected employment on completion : 8,00,000)
ii. Pithampur-Dhar-Mhow Investment Region, Madhya Pradesh (Expected employment on completion : 4,50,000)
iii. Shendra-Bidkin Industrial Park city near Aurangabad, Maharashtra (Expected employment on completion : 7,50,000)
iv. Dighi Port Industrial Area, Maharashtra (Expected employment on completion : 3,20,000)
v. Manesar-Bawal Investment Region, Haryana (Expected employment on completion : 16,00,000)
vi. Khushkhera-Bhiwadi-Neemrana Investment Region, Rajasthan (Expected employment on completion : 5,50,000)
vii. Jodhpur-Pali-Marwar Region in Rajasthan (Expected employment on completion : 3,20,000)
viii. Dadri-Noida-Ghaziabad Investment Region, Uttar Pradesh(Expected employment on completion : 12,00,000)

Other Early Bird Projects :
i. Integrated Industrial Township in Greater Noida(Expected employment on completion : 1,74,270)
ii. Integrated Industrial Township ' Vikram Udyogpuri' project(Expected employment on completion : 78,000)

Other Corridors

Three nodes namely Tumkur in Karnataka, Ponneri in Tamil Nadu and Krishnapatnam in Andhra Pradesh under Chennai Bengaluru Industrial Corridor (CBIC) and one node Dharwar in Karnataka under Bengaluru Mumbai Economic Corridor (BMEC) have also been identified.

Fourteen NIMZs outside the DMIC region have also been identified:
i. Nagpur in Maharashtra
ii. Prakasam in Andhra Pradesh
iii. Chittoor in Andhra Pradesh
iv. Medak in Telangana
v. Hyderabad Pharma NIMZ at Rangareddy and Mahabubnagar Districts in Telangana.
vi. Tumkur in Karnataka
vii. Kolar in Karnataka
viii. Bidar in Karnataka
ix. Gulbarga in Karnataka
x. Kalinganagar, Jajpur District in Odisha
xi. Ramanathapuram District of Tamil Nadu
xii. Ponneri Taluk, Thiruvallur District, Tamil Nadu
xiii. Auraiya District in Uttar Pradesh and
xiv. Jhansi District in Uttar Pradesh

The 22 identified sectors under the 'Make in India' initiative are , viz, (i) Automobiles & Auto Components, (ii) Aviation, (iii) Aerospace & Defence, (iv) Basic Metals & Cement, (v) Biotechnology, (vi) Chemicals and Petrochemicals (vii) Food Processing (viii) Gems & Jewellery, (ix) ICTE Manufacturing, (x) Leather and Leather Products, (xi) Media and Entertainment, (xii) MSME, (xiii) Oil & Gas, (xiv) Pharmaceuticals, (xv) Power, (xvi) Ports and Shipping, (xvii) Railways, (xviii) Renewable Energy, (xix) Roads and Highways, (xx) Skill Development, (xxi) Textiles & Apparel and (xxii) Tourism.

(c): The survey conducted by FICCI and PwC Strategy&- namely India Manufacturing Barometer indicates that 58% of the surveyed respondents are somewhat optimistic and 24% are very optimistic about the prospects of the Indian Economy for the coming year. The interview period of the survey was 1 November 2015 to 10 January 2016. Further, as per India Manufacturing Barometer, PwC's 19th Annual Global CEO Survey showed that 75% of Indian CEOs believe that there are more growth opportunities for their company today than three years ago.

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